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2016 LIHTC Online Application (TAC) Training

October 19, 2015

AGENDA

8:30 – 8:40 a.m.   Welcome & Introductions (Dave Vaske)

8:40 – 10:00 a.m.   Online Application Training (Stacy Cunningham)
1) Access & Roles
    a) Granting Access
    b) Roles

2) Search Criteria - Application

3) Resources Available
    a) Error Identification
    b) Help Tab
    c) Website

4) Application Review
    a) Tabs
    b) Scoring
    c) Eligible Basis Boosts
    d) Tips

10:00 – 10:15 a.m.   Break

10:15 – 11:30 a.m.   Practice Application & Q & A

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1) <u>Access and Roles</u>

   Reference: 2016 Online Training Guide Page 6, A.1-3.

   - Must have a username to access the Online Application. (Do not share usernames)

   - Request username through the Online Application (TAC) at: https://iowafinanceauthority.iowa.gov/secure/TAC2/Login.aspx?ReturnUrl=%2fsecure%2ftac2.

   - Once a request is received, a role is assigned by IFA and an email is sent confirming approval of username.

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a) Granting Access

- Log into Online Application
- View Tab
- MYIFA Account, Authorized Users
- Select "Add New Authorized User"
  - ➢ Access is granted to all your Applications and not one specific Application

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- The person who creates an Application only has the rights to grant Application access to other users.
  - ➢ Each Applicant is responsible for granting access and ensuring that the person(s) they've granted access to has been assigned the correct role.
- Do not share usernames and passwords. This is for your benefit so you can see who & when a change was made to an Application.
- Do not ask IFA to grant other users access to your Applications.
  - ➢ IFA will assist in ensuring the correct role has been assigned to a user.
  - ➢ IFA will not release usernames or passwords.

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b) Roles
- Guest
  - ➢ Ability to create, edit, and grant access
- Reviewer
  - ➢ Review only
- Construction
  - ➢ Review rights & ability to upload documents to Construction Tab
- Prior to Placed-in-Service
  - ➢ Review rights & ability to upload documents to the Prior to Placed-in-Service Tab

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2) <u>Search Criteria</u>

   Reference: 2016 Online Training Guide Page 6 – A2.

- Not all criteria needs entered to perform a search. If the Application has been submitted, just enter the App No.

- If multiple Applications are in process for the 2016 round, select 2016 in Allocation Year, Status - InWork, and Version - Threshold.

  - ➢ Allocation Year (click arrow to select year)
  - ➢ App No
  - ➢ Project Name
  - ➢ Status (Click arrow to select status)
  - ➢ Version (Click arrow to select version)
  - ➢ Type (9% or 4%)

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3) <u>Resources Available</u>

Reference: 2016 Online Application Training Guide, pages 6-7, A.4.a-c.

a) Error Identification

- Tabs will have red x's until all information is completed.
- Some Tabs are linked due to related information so the red x's won't clear until information has been entered in the linked Tabs.
- If a Tab had a green check mark and then it goes to a red x, there is an error tied to an election or something entered in another Tab.
- Select, "Submit" and an error listing will be provided.
- If after selecting "Submit" there are no errors, but a Tab has a red x, go back to that Tab and save. The red x should clear.

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b) Help Tab
   - ➢ 2016 Qualified Allocation Plan ("QAP")
   - ➢ Online Application Training Guide
   - ➢ 2016 Appendices

c) 2016 9% LIHTC Website
   http://www.iowafinanceauthority.gov/Home/DocumentSubCategory/188.
   - ➢ Notices
   - ➢ Training Qualified Allocation Plan
   - ➢ Application
   - ➢ Exhibits
   - ➢ Appendices
   - ➢ Applicant Listing
   - ➢ Award Listing
   - ➢ Questions and Answers

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4) <u>Application Review</u>

Reference: 2016 Online Application Training Guide, Section B., beginning on page 8.

- To create an Application, log into the Online Application and select, "Create a New 9% Application".

- Only copy feature is to copy an InWork 2016 Threshold Application.

a) Tabs (Refer to B.1.a on page 8 and B.1.b on page 9)

➢ Review of each Application Tab.

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b) Scoring (B.3, pages 10-14 and Section D.)

- The Application will generate a preliminary score on the Scoring Tab based on elections made and information entered in the Application. This preliminary score is not guaranteed to be the final score awarded by IFA.

  ➢ Review of how to request preliminary scoring points. (Refer to QAP Section 6 & Appendix K)

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c) Eligible Basis Boosts

- QAP Sections 7.2 – 7.2.3.2

- Maximum boost is 30%.

- Application will calculate the applicable boost based upon information entered in the Buildings Tab for the QCT and Non-MSA City or County. (Refer to Appendix B). Costs and Credit Calc Tab will show the type of boost.

  ➢ Qualified Census Tract (30% increase in Eligible Basis)

  ➢ Projects Located in a Non-MSA City or County (15% increase in Eligible Basis)

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- Application will calculate the applicable boost based upon the AMI and the number of Low-Income Units entered in the Buildings Tab. Applicant must have elected points under QAP Section 6.1.1 to qualify. The Type of boost received is shown in the Costs and Credit Calc Tab.

  ➢ Projects Serving Lower AMI's (15% - 30%)
  - ✓ 30% of the Units serving tenants with incomes at 40% or less AMI shall qualify for an increase of 15% in Eligible Basis.
  - ✓ 10% of the Units serving tenants with incomes at 30% or less AMI shall qualify for an increase of 15% in Eligible Basis. These Units are in addition to any Units selected for the 40% AMI or less.

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Example of 30% increase in Eligible Basis – Costs and Credit Calc Tab

Total Eligible Basis	$0	$9,643,500
Adjustment for QCT	**$0**	**$2,893,050**
Deduction from QCT Adjustment		
Adjustment for Non-MSA City or County	$0	$0
Adjustment for Projects Serving Lower AMIs	$0	$0
Applicable Fraction	85.7143%	85.7143%
Total Qualified Basis	$0	$10,745,616

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- If a Project receives one of the permitted boosts in Eligible Basis, QAP Section 4.9.1 states the Project may exceed the Tax Credit Cap per LIHTC Unit defined in Section 7.2. **30% is the maximum boost a Project may receive.

  ➢ If a 15% boost is received, the cap can be exceeded by the same percentage.

- No Project may exceed the per Project Tax Credit Cap of $800,000 as stated in QAP Section 2.3.2.

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d) Tips

1) If a change is made in the Project before submission, make sure the person(s) entering the Application are informed and understand the impact the change has for the Project as it may not be as simple as changing a utility type check box in the Project Amenities Tab.

- ➤ Exhibit 8B, 9B, and 11T could be impacted.
- ➤ Utility Allowance Chart on Building Tab may need corrected which could affect rents in the Buildings Tab which affects Projected Cash Flow.
- ➤ Construction Characteristic Tab would be impacted in regards to specifications.

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2) Copy fields that have same names or information as much as possible among tabs. (Example: Ownership Entity ("OE") Name to Site Control Tab and to the OE Component section)

3) Don't assume. Submit a question to the Q&A for clarification.

4) Do not wait until the last minute.

5) Perform a detailed review of the Application prior to submission.

   ➢ Threshold: Compare Threshold and Building Exhibits to Application entries – especially Plans and Specifications to Construction Characteristics & Project Amenities Tabs.

   ➢ Scoring: Compare the QAP scoring requirements to the Project's Scoring Exhibits and Application scoring entries to ensure requirements met.

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BREAK TIME

PRACTICE APPLICATION ENTRY

1) Everyone has their own temporary training username and password. We ask that you NOT use any other username to create your practice application.

2) The practice applications created today, along with the training usernames, will be deleted after this training session.

3) This is your time for individualized assistance. Please ask if you have questions.

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